Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-820]

Ferrosilicon from the Russian Federation: Final Determination of Sales at Not Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of

Commerce.

SUMMARY: The Department of Commerce ("the Department") determines that ferrosilicon from the Russian Federation ("Russia") is not being, nor is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 735 of the Tariff Act of 1930, as amended ("the Act"). The final weighted-average dumping margin is listed below in the section entitled "Final Determination."

DATES: EFFECTIVE DATE: (INSERT DATE OF PUBLICATION IN THE <u>FEDERAL</u> <u>REGISTER</u>.)

FOR FURTHER INFORMATION: Irene Gorelik, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6905.

SUPPLEMENTARY INFORMATION:

Background

On March 11, 2014, the Department published in the <u>Federal Register</u> the preliminary determination of sales at not LTFV in the antidumping duty investigation of ferrosilicon from Russia.¹ The following events have occurred since we issued the <u>Preliminary Determination</u>. We issued a supplemental questionnaire to RFA International LP ("RFAI") and received a

¹ <u>See Ferrosilicon From the Russian Federation: Preliminary Determination of Sales at Not Less Than Fair Value,</u> 79 FR 13620 (March 11, 2014).

response on March 14, 2014. On March 24, 2014, CC Metals and Alloys, LLC and Globe Specialty Metals, Inc.² (together, "Petitioners") filed pre-verification comments. The Department conducted the home market cost and sales verifications from March 24, through April 8, 2014, and the U.S. sales verification from April 14, through April 17, 2014. The Department issued the cost verification report on April 23, 2014. On April 25, 2014, Petitioners filed comments regarding the home market sales verification. Petitioners also requested a meeting to discuss those verification comments which we held on May 30, 2014. The Department released the home market sales verification report on May 23, 2014, and the constructed export price ("CEP") verification report on May 27, 2014. On the same date, the Department (1) requested that RFAI submit revised U.S. sales data based on the CEP verification corrections, and (2) notified interested parties of the case and rebuttal brief schedule. On June 10, 2014, Petitioners and RFAI filed case briefs. On June 20, 2014, Petitioners and RFAI filed rebuttal briefs.³ On July 7, 2014, the Department held closed and public hearings, based on Petitioners' timely filed requests.

Period of Investigation

The period of investigation ("POI") is July 1, 2012, through June 30, 2013.

Scope of the Investigation

The merchandise covered by this investigation is all forms and sizes of ferrosilicon, regardless of grade, including ferrosilicon briquettes. Ferrosilicon is a ferroalloy containing by weight four percent or more iron, more than eight percent but not more than 96 percent silicon,

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² The original Petitions were filed on behalf of Globe Specialty Metals, Inc. ("GSM"), CC Metals and Alloys, LLC ("CCMA"), and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America. However, only GSM and CCMA filed comments and arguments on behalf of these parties since before the <u>Preliminary Determination</u>.

³ On July 3, 2014, Petitioners filed rebuttal briefs excluding information which we directed Petitioners to redact from their rebuttal brief dated June 20, 2014. <u>See</u> Letter to Petitioners dated July 2, 2014, requesting filing of rebuttal brief excluding redacted information.

three percent or less phosphorus, 30 percent or less manganese, less than three percent magnesium, and 10 percent or less any other element. The merchandise covered also includes product described as slag, if the product meets these specifications.

Ferrosilicon is currently classified under U.S. Harmonized Tariff Schedule ("HTSUS") subheadings 7202.21.1000, 7202.21.5000, 7202.21.7500, 7202.21.9000, 7202.29.0010, and 7202.29.0050. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum,⁴ which is hereby adopted by this notice. A list of the issues raised is attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at http://iaaccess.trade.gov and it is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at http://enforcement.trade.gov/frn/. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Determination

Based on our analysis of the comments received and our findings at verification, we made certain changes to the margin calculations. For a discussion of these changes, <u>see</u> the "Margin Calculations" section of the Issues and Decision Memorandum.

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⁴ <u>See</u> Memorandum from Christian Marsh to Paul Piquado, "Issues and Decision Memorandum for the Final Determination of the Antidumping Duty Investigation of Ferrosilicon from the Russian Federation," dated concurrently with this notice ("Issues and Decision Memorandum").

Verification

As provided in section 782(i) of the Act, in March and April 2014, we verified RFAI's cost and sales information for use in our final determination. We used standard verification procedures, including an examination of relevant accounting and production records and RFAI's original source documents.⁵

Final Determination

The weighted-average dumping margin is as follows:

Producer or Exporter	Weighted-Average Margin (percent)
RFA International LP ⁶	0.00 percent

Consistent with section 735(c)(1)(B) of the Act, the Department has not calculated a weighted-average dumping margin for all other producers or exporters because it has not made an affirmative final determination of sales at LTFV.

Disclosure

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

⁵ <u>See</u> Memorandum to the File, "Verification of the Cost Response of RFA International, LP in the Antidumping Duty Investigation of Ferrosilicon from the Russian Federation," dated April 23, 2014; Memorandum to the File, "Verification of Home Market Sales of Chelyabinsk Electrometallurgical Integrated Plant Joint Stock Company ("CHEMK") and RFA International, LP ("RFAI")," dated May 22, 2014; Memorandum to the File, "Verification of Russia Ferro-Alloys Inc. in the Antidumping Duty Investigation of Ferrosilicon from the Russian Federation," dated May 23, 2014.

⁶ In the <u>Preliminary Determination</u>, we found that RFAI, CHEMK, and JSC Kuznetskie Ferrosplavy comprise a single entity. <u>See Preliminary Determination</u>, 79 FR at 13621 & n.7. The Department has not received any information that places that determination into doubt. Therefore, we continue to find that these three companies comprise a single entity for purposes of the antidumping duty law.

Suspension of Liquidation

Because the weighted-average dumping margin for the examined company is de minimis,

we are not directing U.S. Customs and Border Protection to suspend liquidation of entries of

ferrosilicon from Russia.

U.S. International Trade Commission ("ITC") Notification

In accordance with section 735(d) of the Act, we notified the ITC of our final

determination. As our final determination is negative, this proceeding is terminated.

Return or Destruction of Proprietary Information

This notice will serve as the only reminder to parties subject to administrative protective

order ("APO") of their responsibility concerning the destruction of proprietary information

disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of

return or destruction of APO materials, or conversion to judicial protective order, is hereby

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable

violation.

We are issuing and publishing this determination and notice in accordance with sections

735(d) and 777(i) of the Act.

Dated: July 24, 2014.

Paul Piquado,

Assistant Secretary

for Enforcement and Compliance.

Appendix – Issues in Decision Memorandum

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- I. Summary
- II. Background
- III. Scope of Investigation
- IV. Margin Calculations
- V. Discussion of Issues

General

- 1. Whether to Apply Adverse Facts Available for the Final Determination
- 2. Whether RFAI Failed to Fully Disclose its Home Market Sales Process
- 3. Whether the Record Contains the Proper Universe of Home Market Sales
 - A. Material Terms of Sale/Date of Sale
 - B. Post-Invoice Changes to Physical Quantity and CONNUM

Home Market Issues

- 4. Whether to Use "As Invoiced" or "As Delivered" Home Market Sales Data
- 5. Calculation of Imputed Credit Expenses for Partially Delivered Sales
- 6. Treatment of Revenues and Expenses for Certain Sales Activities/Expenses
- 7. Calculation of Short-Term Credit for Home Market Imputed Costs
- 8. Calculation of Domestic Inventory Carrying Costs
- 9. Calculation of Domestic Warehousing Expenses
- 10. Correct the Unit of Measure Conversion Applied to Home Market Inventory Carrying Costs

U.S. Sales Issues

- 11. Calculation of Per Unit Cost of Goods Sold for U.S. Inventory Carrying Costs
- 12. Calculation of U.S. Sampling Expenses
- 13. Calculation of Short Term Credit for U.S. Sales
- 14. Calculation of U.S. Indirect Selling Expenses
- 15 Calculation of Certain U.S. Movement Expenses
- 16. Whether to Use of Average-to-Transaction Price Comparisons

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